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Annual report of the Executive Director

Summary

We are proud to present the final UNOPS annual report on its strategic plan, 2014-2017, and our second report aligned to the Global Reporting Initiative – the sustainability reporting organization developed in collaboration with the United Nations Environment Programme (UNEP) and the United Nations Global Compact.

In 2017, UNOPS supported the United Nations in addressing critical humanitarian emergencies, vital development initiatives, and peace and security priorities in places such as Colombia, Myanmar, Somalia, Syria and Yemen. The year saw a rise in demand for UNOPS services, and for a second consecutive year we saw an increase in the implementation support provided directly to governments, which now represents more than a third of the UNOPS portfolio. Across more than 80 countries, UNOPS-supported projects created more than 2.1 million days of paid work for local people. Women undertook more than 370,000 of these days work. Our infrastructure activities included work on more than 2,300 kilometres of roads, 35 schools, 47 hospitals and 243 health clinics. Almost $540 million worth of procurement spend went to local suppliers, both lessening environmental impacts by reducing emissions, and directly supporting national economies.

Overall, UNOPS delivery exceeded $1.8 billion – a 25 per cent increase over 2016 figures – and, with more than 11,000 people on contract, working directly for UNOPS and for our partners, we provided our technical expertise and efficiency to the wider global development system. The organization continued to improve the way it operates, and through its strategic plan, 2018-2022, is well placed to increase its work in support of the 2030 Agenda for Sustainable Development, Member States, and the people they represent.

Elements of a decision

The Executive Board may wish to: (a) recognize the contributions of UNOPS to the operational results of governments, the United Nations and other partners in 2017, through efficient management support services and effective specialized technical expertise, expanding the implementation capacity for sustainable development; (b) take note of the successful implementation of strategic plan, 2014-2017, and the solid implementation platform established on which to initiate the strategic plan, 2018-2021, to support Member States in achieving the 2030 Agenda; and (c) take note of the recommendations of the Joint Inspection Unit and the progress made in implementing recommendations relevant to UNOPS.

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Annexes (available on the Executive Board web page)

This report is based on data that is fully compliant with the Global Reporting Initiative ('GRI'), detailed in annex I.

Introduction

1. The Executive Director is pleased to inform the Executive Board of the progress made during 2017 in implementing the UNOPS strategic plan, 2014-2017. In doing so, UNOPS has helped people build better lives and supported the progress of countries towards peace and sustainable development.

I. Results framework

2. The UNOPS mandate was established by the General Assembly in resolution 65/176. The Executive Board approved the UNOPS strategic plan, 2014-2017, in its decision 2013/23. The Board welcomed the enhanced focus of UNOPS services to partners, and the emphasis on sustainability, national ownership and capacity development.

3. In 2017, to position the organization for its strategic plan, 2018-2021, and to establish priorities for executing activities to conclude the strategic plan, 2014-2017, UNOPS reported on its work around its mandated core competencies or focus areas: effective specialized technical expertise in infrastructure, procurement and project management; and efficient management support services.

4. In addition to these focus areas, at the request of the Board UNOPS reported on a third area: expanding the broader pool and effect of resources for the 2030 Agenda, including from the private sector.

5. In 2017, the focus areas were used to assess the outputs of 967 projects, 679 of which reported contributions to sustainability across a range of economic, environmental and social aspects. Percentages reflecting sustainability results throughout this report are weighed by delivery. Details of the results framework and reporting methodology are outlined in annex II.

6. Information in this report is aligned to Global Reporting Initiative ('GRI') sustainability standards. Further details of UNOPS results with associated GRI indicators are available in annex I.

II. Highlights of results

7. More than 2.1 million days of paid work for local people were created through UNOPS projects in 2017, 22 per cent them undertaken by women. The majority related to infrastructure projects, including the construction, design or rehabilitation of 35 schools, 47 hospitals, 243 health clinics and 2,302 kilometres of roads. That compares with 50 schools, 74 hospitals, 278 health clinics and 3,025 kilometres of road in 2016. Last year, 3 million days of paid work were created.

8. UNOPS procured more than $1 billion worth of goods and services for its partners in 2017, a 10 per cent rise over the $900 million reported in 2016. UNOPS is committed to strengthening national economies by supporting local suppliers. In locations of operations where UNOPS maintains a physical presence, 51 per cent of procurement budgets were awarded to local suppliers, representing almost $540 million – up from 46 per cent and $400 million in the previous year.

9. As part of efforts to share UNOPS knowledge and expertise, almost 40,000 days of technical assistance were provided to partners (down from 50,000 in 2016). UNOPS helped develop local capacity by supporting more than 8,500 training days. Approximately 57 per cent of projects supported by UNOPS reported one or more activities that contributed to developing national capacity, an increase over the 55 per cent reported for 2016.

10. UNOPS is committed to climate neutrality. In 2017, preliminary analysis of UNOPS operations recorded greenhouse gas emissions of 16,931 tonnes of carbon dioxide equivalent, based on the 2016 method of calculation. In comparison, 14,969 tonnes were reported the previous year. All UNOPS emissions are offset using certified emission reductions, with gold-standard certification developed under the United Nations Clean Development Mechanism. During 2018, when a revised approach for calculating emissions is due to be introduced across the United Nations system, UNOPS emissions for 2017 will be recalculated.

11. In 2017, UNOPS supported the mine-clearance work of the United Nations Mine Action Service (UNMAS) and its partners in 17 countries and territories.

12. In 2017, demand for UNOPS services in conflict and post-conflict countries, least developed countries and other countries in vulnerable situations remained strong. UNOPS supported progress towards achieving a number of global and local objectives, including the Sustainable Development Goals. As in prior years, there was notable demand for support in relation to Goals 3, 9, 11, and 16. UNOPS provides expertise through a range of integrated services across multiple sectors and service lines. Details of UNOPS delivery in this area for 2017 are summarized in table 1, below.

Table 1. Percentage of delivery associated with UNOPS respective service lines

Service line	Percentage of total delivery
Infrastructure	25
Procurement	36
Project management	4
Human resources	13
Financial management	21

III. Operational results

A. Effective specialized technical expertise

13. UNOPS is committed to helping people achieve individual, local, national and global objectives through effective technical expertise grounded in international norms and standards. It provides a wide range of specialized expertise through its core service lines, across a number of contexts.

14. UNOPS applies sustainable implementation approaches through means that include exercising due diligence and respect for international human rights principles; engaging local communities, with an emphasis on protecting the most vulnerable; facilitating access to food, water, sanitation, energy, health, education, justice, and security-related services; and mainstreaming gender equality in its activities.

15. As part of its efforts to facilitate access to essential commodities, UNOPS has worked with partners in Yemen to meet basic needs. By the end of 2017, 22.2 million people were in need in the country, 17.8 million of whom were food insecure. To facilitate the inflow of commercial goods, UNOPS established the United Nations Verification and Inspection Mechanism for Yemen in December 2015, on behalf of the Government of Yemen and United Nations organizations. During 2017, 346 commercial vessels were cleared through the mechanism, successfully offloading over 6.6 million tonnes of food, fuel and supplies.

16. A key element of rebuilding efforts in Gaza is a project implemented by UNOPS under the Gaza Reconstruction Mechanism, a temporary agreement between the State of Palestine and Israel brokered by the United Nations. The project allows much-needed reconstruction materials to enter the territory. In 2017, 686,631 tonnes of cement were imported into Gaza through the mechanism, in an effort to rebuild homes and large-scale projects such as hospitals, schools, and water, sanitation and hygiene facilities. Project materials went to building or preparing for the rebuilding of homes for 23,553 families. Local suppliers participated by registering, helping to boost the local economy by placing the local private sector at the centre of reconstruction efforts. In 2017, 60 per cent of UNOPS projects reported positive effects on local economies.

17. To improve security and facilitate the movement of goods and people between Serbia and Kosovo, UNOPS is developing state-of-the art integrated border management facilities, with funding from the European Union. Designs were completed in 2017, and construction, including a range of environmental, resilience and sustainability measures, is under way. The crossing-point canopy will house a system of solar panels providing up to 24 hours of electricity a day. Local workers have received training in infrastructure best practices. Accreditations gained through this process include certifications from the Occupational Health and Safety

Assessment Series, the internationally recognized standard in health and safety. In 2017, 25 per cent of UNOPS projects reported providing formal training or certification programmes for beneficiaries or local workers.

Box 1. Lighting up Sierra Leone through renewable energy

In 2016, following the declaration that Sierra Leone was Ebola-free, the Government launched a series of initiatives aimed at improving the energy infrastructure to better prepare rural communities in the event of a future outbreak. One of these projects seeks to tackle the lack of sufficient medical infrastructure throughout Sierra Leone, especially in rural areas where many towns and villages lack access to electricity.

Funded by the Department for International Development of the United Kingdom and implemented by UNOPS, the project started in 2016 and aims to provide up to 5 megawatts of sustainable, low-carbon energy to rural communities across the country through the installation of solar power stations and mini-grid systems. This is the first project of its kind and scale in Sierra Leone and the sub-Saharan region. It will benefit up to 360,000 residents, including local businesses, and will help provide essential services. In 2017, solar power stations were installed at 54 community health centres across 12 districts of Sierra Leone.

Private sector companies have been invited to tender their services to run the power supply network in each village through a competitive selection process. Once appointed, successful firms will assume responsibility for the long-term operations and maintenance of the mini-grid networks, providing opportunities for employment in the local economy and ensuring long-term sustainability.

18. UNOPS supports innovative solutions wherever possible. In 2017, for example, on behalf of the Government of Antigua and Barbuda, UNOPS established a science and innovation centre in Antigua to identify and develop new ways of addressing climate change challenges. Academic partners included the Massachusetts Institute of Technology and Harvard University. The small island developing State is the first in the Caribbean to launch a dedicated facility encouraging local entrepreneurship in the areas of climate change and clean technology.

19. Forty-five per cent of UNOPS-supported projects reported measures to mitigate negative environmental effects. In Sri Lanka, 400,000 people benefit from an improved waste management system that helps ensure proper waste disposal while protecting the environment and local communities. Under the same programme, UNOPS constructed and rehabilitated drainage, wastewater, and sewage management solutions in two other districts. In 2017, the programme provided over 1,100 days of training, completed as part of the development contribution of the European Union to Sri Lanka.

20. In Niger, UNOPS provided a range of advisory services to the Millennium Challenge Account in Niger, an autonomous Nigerien government agency that will implement a five-year programme of works and business development funded by the Millennium Challenge Corporation. The $437 million initiative supports sustainable water management and agriculture activities and will benefit approximately 3.9 million people. In 2017, UNOPS provided more than 2,500 days of technical assistance in infrastructure and project management.

21. In Afghanistan, UNOPS supported government efforts to improve road transport across the Hindu Kush mountains. Funded by the World Bank, the project seeks to improve livelihoods across two highly populated and major economic regions. UNOPS provided technical assistance to strengthen the institutions of national counterparts in areas including procurement and contract and financial management. Activities include design and construction advice; supporting social and environmental safeguards; and capacity-building. In 2017, UNOPS provided 283 days of technical assistance in support of the project.

Box 2. Modernizing family farming across Paraguay

Agriculture is central to the economy of Paraguay. A large percentage of the population of more than 6.7 million people makes a living from agricultural work – especially in rural areas – often through subsistence farming. Agriculture also plays a significant role in international trade. Together with livestock rearing and hydroelectricity production, agriculture represents more than 60 per cent of exports.

Research conducted by the Government found that family farming represented more than 90 per cent of all agricultural operations, in a sector characterized by low productivity and limited access to land, capital and technology. Stagnant yields were attributed to erosion, loss of soil fertility, biodiversity loss, and concerns surrounding water use.

Since 2014, UNOPS has supported the Government in addressing these concerns through a key poverty reduction initiative: the modernization of family agriculture in impoverished areas. It involves a series of activities supporting sustainable land cultivation, procuring agricultural supplies, conducting monitoring work, and managing related projects.

Projects have helped rehabilitate over 40,000 hectares of agricultural land, strengthening food security and livelihoods for land users. Seventy agricultural centres were rehabilitated in 2017, and more than 13,000 hectares of land were improved in around 150 rural villages.

22. Kenya has one of the highest maternal mortality rates in the world. To help address the challenge, UNOPS is supporting the United Nations Children's Fund (UNICEF) in strengthening health-care services across five counties. In 2017, 42 health centres were rehabilitated, incorporating a range of green technology, and 4,376 community volunteers and health workers were trained. As part of the project, UNOPS established the first public-private partnership between United Nations organizations, local government, and a non-governmental organization in Kenya, to develop a much-needed medical facility: one of the largest oxygen plants in the country. UNOPS oversaw its design, construction and installation, including all procurement.

23. In 2017, UNOPS began activities aimed at strengthening Somali government institutions in the public works sector. Funded by the African Development Bank, this project seeks to enhance the capacities of state authorities to independently plan, manage and oversee infrastructure construction projects and maintenance works. Activities include supporting local government capacity-building, the development of public works legislation, ensuring the involvement of local communities and marginalized groups – such as women and youth – and creating employment opportunities through infrastructure-related training. In 2017, 57 per cent of UNOPS projects reported implementing capacity-building initiatives during project delivery.

24. In Panama, UNOPS helped the Government establish a public infrastructure coordination unit in the office of the President to strengthen national capacity for infrastructure programming, project management, procurement, construction, and supervision services in sectors such as health, education, water and sanitation. During 2017, 265 days of advice, technical support and training were provided to the project.

25. With the goal of eradicating polio in Afghanistan, UNOPS designed and constructed the Polio Emergency Operations Centre in Kabul, with funding from the Bill and Melinda Gates Foundation. The centre includes a range of sustainability measures, including solar panels, a biological wastewater treatment system, natural lighting, and an earthquake-resistant design. Construction of the Centre, completed in 2017, created 12,000 labour days for local workers.

26. As part of efforts to reduce famine and alleviate extreme poverty, UNOPS is helping increase the productivity of small-scale farmers by developing and improving roads in the Democratic Republic of the Congo. In 2017, in support of the Government, UNOPS worked on more than 1,200 kilometres of roads across three provinces (formerly the Équateur Province), creating 14,000 days of employment for local workers. In 2017, 23 per cent of UNOPS projects reported providing employment for local people.

27. Through support to 10 missions throughout Africa, UNOPS contributed to the peacebuilding work of the Department of Peacekeeping Operations and Department of Political Affairs. This included work for the United Nations Multidimensional Integrated Stabilization Mission in the Central African Republic. As part of those efforts, UNOPS supported a range of peacebuilding activities for the host Government. In 2017, these included providing learning opportunities for 2,605 ex-combatants – including 364 women – who received 90 days' vocational training in trades of their choice. Training sessions focused on raising awareness about gender, social cohesion and human rights. In 2017, 29 per cent of UNOPS projects reported on-the-job learning elements for local workers.

Box 3. Beyond infrastructure: rebuilding homes with families and communities

To provide relief to the ongoing humanitarian crisis in Gaza, UNOPS is contributing to the sustainable reconstruction of destroyed housing in the territory. Beneficiaries of this project are among the most vulnerable in society. Selected from internally displaced populations, these are families who lost their homes during the 2014 conflict.

Financed by the Government of Germany, in partnership with the Norwegian Refugee Council, new homes were designed in accordance with the owners' wishes and needs. Community groups were involved in the design of durable solutions, focusing on dedicated themes such as the needs of women. UNOPS verified that local building regulations were applied and, in the case of disabled or special-needs residents, that appropriate measures were implemented.

Far exceeding typical construction activities, the project included extensive additional support to families, including legal and financial dimensions. The project offered equal signatory power to husbands and wives for cash assistance grants, helping to ensure property rights for women. Legal support was extended to widows and divorced women to guarantee them legal recognition as homeowners.

In 2017, in support of local authorities, 140 houses were reconstructed under the project, creating 168,000 days of labour for local workers.

28. With funding from the Government of Japan, UNOPS helped improve the working conditions and capacities of six hospitals across Ukraine. Continuing past support, a range of specialized medical equipment was procured and installed in 2017 to improve health-sector response capacities and medical diagnostics procedures. Those activities are expected to improve health care services for more than 1 million people.

29. In 2017, UNOPS continued to work across Colombia in support of the national peace process, providing better housing conditions for vulnerable populations. As part of the social housing initiative, 1,316 individual designs for homes were agreed with families in 2017, and construction was completed on 120 family homes. The project created 5,300 labour days for local workers throughout the year. Since 2014, UNOPS has worked with the Department for Social Prosperity on housing initiatives, improving more than 6,000 family homes in over 60 locations, and benefiting approximately 28,000 people.

30. In a similar social housing example, UNOPS is working with the Government of Argentina in addressing urban poverty and promote social and economic inclusion by providing suitable housing to improve living conditions in vulnerable areas. The project was initiated in 16 communities across three provinces, and improved 411 family homes in 2017. Over the duration of the project, activities are expected to improve the lives of more than 7,500 people.

31. In further support of the Colombian peace process, UNOPS is providing technical assistance to the United Nations Verification Mission in Colombia. The mission, led by the United Nations Department of Political Affairs, was established to verify the reintegration of former Revolutionary Armed Forces of Colombia – People's Army members into political, economic and social life, including providing security guarantees for former Army members, their families and communities in the territories. In 2017, UNOPS supported camp infrastructure assessments in 15 rural locations across the country, providing the range of monitoring and supervision services required to initiate operations.

32. In Tanzania, UNOPS supported the Government in increasing the resilience of coastal zones against the negative effects of climate change and rising sea levels. In partnership with UNEP, through a project funded by the Adaptation Fund and Global Environment Facility, 2,400 metres of sea defence walls are being rehabilitated and constructed in seven sites along the coast of Tanzania. One seawall was completed in 2017, and construction works proceeded on the other sites. Solar street lights were installed along the seawalls. These activities allowed communities in low-lying areas and informal settlements to continue farming and engaging in income-generating activities.

B. Efficient management support services

33. UNOPS is committed to enabling partners to 'do more with less' through efficient management support services, delivered locally or as global shared services. Services range from procurement, human resources, and financial and other shared services management, to providing dedicated secretariat services for partners under the UNOPS legal framework.

34. On behalf of the Department of Political Affairs, UNOPS enables the rapid deployment of a group of mediation experts to provide technical advice to senior United Nations officials and regional or subregional partners, leading mediation and conflict prevention efforts. Team members possess expertise in constitution-making, gender and inclusion, natural resources, power-sharing, process design, and security issues. In 2017, the team was deployed over 120 times, in 27 different contexts.

35. The Livelihood and Food Security Trust Fund focuses on improving the lives and prospects of rural poor people in Myanmar. It is a joint programme with contributions from Australia, Denmark, the European Union, France, Ireland, Italy, Luxembourg, the Netherlands, New Zealand, Sweden, Switzerland, the United Kingdom and the United States of America, as well as the Mitsubishi Corporation. In 2017, the Fund managed 86 grants worth $59.7 million to partners who implement projects improving rural poor people's agricultural productivity, nutrition, access to finance, skills, and job prospects.

Box 4. Contributing to sustainable development in Serbia

Funded by the European Union and the governments of Serbia and Switzerland, UNOPS and Serbia implemented the 'European PROGRES' programme. The largest area-based programme in Serbia, it supported the sustainable development of 34 local self-governments in the southern part of the country.

The programme sought to strengthen local governance, planning and management capacities; increase the competitiveness of local economies; encourage social inclusion; and improve access to employment; and communicate the effects of the accession of Serbia into the European Union.

The three-year programme improved the lives of more than 270,000 individuals, and indirectly benefited nearly one million people who live in the least developed districts – almost one-sixth of the population. It led to the creation of over 700 new jobs and nearly 100 new businesses, including business owned by women, youth and vulnerable populations.

The programme attracted more than 10 million Euros in economic and social projects. It also worked to improve the social and economic standing of more than 9,000 people from vulnerable groups, including 3,600 Roma men and women.

As part of this work in 2017, UNOPS managed 125 grants worth $3.3 million, and provided 402 days of technical assistance. More than 150,000 labour days were created for local workers, 90,000 of which were undertaken by women.

36. As part of efforts to improve the quality of formal education in schools serving over 30,000 children in Syrian refugee camps, UNOPS provided a range of services to support UNICEF in 2017, including the rehabilitation of schools and educational centres; procurement; facilities management; and providing transportation for schoolchildren. As part of the project, six solar systems were installed in schools in Azraq Camp and Zaatari Camp. Ramps were installed in 17 schools to improve access for disabled students to water and sanitation facilities. The project provided more than 1,400 cash-for-work opportunities in four Syrian refugee camps for assistant teachers, guards, cleaners and maintenance workers in 17 schools. In 2017, UNOPS provided more than 300 days of technical assistance as part of the project.

37. The Iraq Internally Displaced Persons Information Centre is a country-wide, toll-free helpline providing life-saving information to internally displaced people. The Centre serves as a centralized humanitarian resource to affected populations, reinforces accountability mechanisms, and facilitates the direct participation of affected people in humanitarian response decision-making. In 2017, the Centre responded to more than 76,000 calls – 24.5 per cent from women – for information about assistance and to register complaints. The project is implemented by UNOPS on behalf of partners including the European Commission, Iraq Humanitarian Fund,

the Office of the United Nations Resident and Humanitarian Coordinator in Iraq, the Office of the United Nations High Commissioner for Refugees (UNHCR), the Office for the Coordination of Humanitarian Affairs (OCHA), the World Food Programme, and the World Health Organization (WHO).

38. On behalf of partner organizations, UNOPS managed the contracts of 7,249 people during 2017. Partners supported included UNHCR, UN-Habitat, UNEP, UNICEF, WHO, the International Organization for Migration, and the Global Green Growth Institute.

39. The Regional Artemisinin-resistance Initiative of the Global Fund was created in response to the emergence of drug-resistant malaria in the Greater Mekong subregion. With funding from the Initiative, UNOPS supported Cambodia, Laos, Myanmar, Thailand and Viet Nam in purchasing commodities such as insecticide-treated nets, rapid diagnostic tests, and quality-assured drugs, which together yielded a sharp drop in malaria cases and deaths. As the principal recipient, UNOPS helped procure and distribute over 1.5 million insecticide-treated nets in 2017.

40. As part of shared services provided across the United Nations, UNOPS supported the procurement of over $104 million worth of goods through UN Web Buy Plus (compared with about $80 million in 2016).

41. In December 2017, OCHA opened its Centre for Humanitarian Data to increase the use and impact of data in humanitarian crises by offering data services and promoting data standards. UNOPS provided a range of management support services, including recruitment and procurement, to operationalize the Centre during 2017.

42. The 'RBM Partnership to End Malaria' (formerly 'Roll Back Malaria') is the global platform for coordinated action against malaria. It mobilizes action and resources, and forges consensus among more than 500 partners. The partnership includes malaria-endemic countries, their bilateral and multilateral development partners, the private sector, non-governmental and community-based organizations, foundations, and research and academic institutions. UNOPS provides secretariat services to the partnership.

43. In 2017, UNOPS supported mine-action, humanitarian, stabilization and explosive management activities, capacity-building of national actors and United Nations missions, and the weapons and ammunition management work of UNMAS and partners in 17 countries and territories. It provided human resources management, procurement, contracting, grants management, technical and operational support, and financial and legal services. For approximately $250 million, UNOPS helped its main partner, UNMAS, to deliver a range of results, including:

(a) In Afghanistan, in partnership with United Nations organizations and a local non-governmental organization, more than 1.4 million internally displaced people and returnees were provided with formal mine-risk education. In total, clearance activities resulted in 1,186 communities being declared mine-free. More than 98,000 mines and 1 million explosive remnants of war were destroyed.

(b) In Darfur, more than 90,000 small arms ammunitions were destroyed and some 200,000 beneficiaries received mine-risk education.

(c) In Iraq, training was provided to local police on first responder activities and explosive ordnance/improvised explosive device disposal. Technical advice and support was provided to finalize the National Strategic and Executive Plan for Mine Action, 2017-2021, in addition to supporting the application of the Government to receive a 10-year extension to locate and destroy all anti-personnel landmines.

(d) In Mali, improvised explosive device awareness and threat mitigation, training-of-trainers and search and detection training were provided to infantry troops in their home countries. National trainers taught over 4,800 peacekeepers. Improvised explosive device awareness training was provided to 2,822 peacekeepers upon their arrival in the country.

(e) In South Sudan, more than 11.8 million square metres of land contaminated by explosive hazards were released. More than 689 infrastructure sites, including housing, health care clinics, markets and water points, were made available for safe use, and 55 schools were cleared to ensure

children's safe access to education facilities. Risk education sessions were conducted for close to 350,000 people, including more than 74,000 women and 200,000 children.

(f) In Syria, to increase self-reliance and basic assistance services to housebound victims, mobile teams in the north of the country delivered self-care sessions and provided referrals for survivors of explosive hazards. Throughout the country, 27 international and local non-governmental organizations were coordinated to integrate mine action into the broader humanitarian response.

(g) In Western Sahara, more than 8 million square metres of land were released, 57 units of unexploded ordnance were destroyed, and some 17,000 men, women and children received mine risk education. With funding from Germany, an additional 28 million square metres of land were released.

C. Expanding the pool and effect of resources

44. UNOPS is committed to supporting countries in expanding the pool and effect of resources available to achieve the 2030 Agenda. In line with Executive Board decisions 2016/12, 2017/16 and 2017/26, UNOPS continued to develop its social impact investing initiative and explore opportunities for collaborative partnerships to mobilize alternative funding sources for the 2030 Agenda, particularly in the areas of affordable housing, renewable energy, and water and sanitation. In 2017, UNOPS supported governments in achieving efficiencies in enhancing the effect of resources available for public procurement, and engaged in collaborative partnerships for South-South and triangular cooperation, as well as in public-private partnerships.

45. Establishing public procurement frameworks that realize even small efficiencies can constitute a major impetus towards attaining the sustainable development goals. Savings can be realized by making better use of the existing resources allotted to fund development objectives. Unspent funds from previously allocated budgets can then be made available for reallocation by national authorities, based on their identified needs.

46. In Guatemala, UNOPS has been working with the Government in support of health-related sustainable development objectives relating to the procurement of medicines. In 2017, UNOPS helped the Government to stock 124 hospitals and health centres across the country with more than 200 medicines for the social security institute. Through the use of UNOPS transparent and efficient procurement processes, the institute estimated savings approaching $27 million, representing approximately a 50 per cent reduction on the initial cost estimates. This calculation was made by comparing the actual costs through the UNOPS approach with the previous costs of securing those services, resulting in funds available for reallocation by national authorities. In 2017, UNOPS provided more than 2,585 days of technical assistance as part of this project.

47. UNOPS has provided technical assistance to the Government of Honduras. Through service-only and contract management models, UNOPS helped stock medical supplies for hospitals and health centres across the country. The service-only model involves UNOPS managing the procurement process until the selection of a provider has been finalized, at which point the process is handed over to national authorities to conclude. The UNOPS approach resulted in efficiency savings ranging from 30 per cent to 70 per cent on medicine prices. In addition in 2017, complete infrastructure and equipment needs assessments were conducted for 10 primary national hospitals, as well as a range of strategic planning advice for government partners. In 2017, more than 3,000 days of technical assistance were provided as part of this project.

48. In Argentina, UNOPS has been supporting the education goals of the Government in its objective to achieve 100 per cent internet connectivity in more than 40,000 public schools. As part of a programme of procurement assistance, over 600,000 units of laptops and related computer equipment were purchased in 2017. UNOPS expertise helped the Ministry of Education to reduce overall costs by up to 42 per cent compared to initial estimates for this activity.

Box 5. Bringing in the private sector to expand the pool of resources for the sustainable development goals

To achieve the sustainable development goals, the trillions of dollars in new investments to support infrastructure and other development projects will need to be mobilized.

In an effort to mobilize private sector investments, UNOPS partnered with mobile telecommunications operator Ooredoo, which invested $3.1 million to help combat high maternal and child mortality rates across Myanmar with the aim of achieving the national universal health coverage programme of the Government of Myanmar by 2030.

UNOPS is working with the Ministry of Health and Sports to design and construct 17 primary health care centres in communities throughout the country. The health centres are being constructed in eight states to serve community health needs, focusing especially on maternal, newborn and child health, and are expected to provide nearly 100,000 people with access to basic health-care services.

During 2017, construction was completed on nine centres. The buildings are designed to resist natural hazards such as earthquakes and incorporate the use of renewable power sources and technologies to help reduce waste. In 2017, 48,000 days of paid work were created for local workers in the project, of which, more than 6,000 days were undertaken by women.

49. In 2017, UNOPS continued exploring innovative solutions with the potential to deliver efficiency savings, such as the use of blockchain technologies. Related activities included establishing a partnership with the World Identity Network, and continuing to lead a United Nations cross-agency working group on the potential of blockchain technology for humanitarian assistance.

50. A number of other traditional UNOPS activities delivered during 2017 demonstrated innovative approaches to financing development, as well as progress on the path to expanding the pool and effect of resources for the implementation of the 2030 Agenda.

51. In Uganda, UNOPS is providing grants management services to the Food and Agriculture Organization of the United Nations on behalf of the Government, with funding from the European Union. This project seeks to encourage private sector investment in commercial timber plantations. Investors are offered a conditional grant of about 30 per cent of the estimated total investment. The project aims to increase incomes in rural communities through commercial tree planting by private sector producers, as well as by supporting maintenance operations of the plantations, and simultaneously mitigating the effects of climate change through intensive afforestation. In 2017, UNOPS managed over 700 grants as part of this project.

52. Despite global progress in addressing the challenges related to HIV/AIDS, the disease remains a concern in many nations. In 2017, seeking to improve the quality of care for individuals suffering from the disease in Uruguay, UNOPS provided infrastructure advice in the development of 10 health clinics in the form of contract negotiation and management support. An example of triangular cooperation, this activity received financing from the governments of Brazil, Germany and Uruguay, demonstrating a diverse mix of traditional and non-traditional funding.

53. In an example of South-South cooperation, in Saint Lucia, with funding from the Government of Mexico, UNOPS undertook a range of activities to improve local water supplies for approximately 10,000 residents in the Dennery region of the small island developing State. As part of a series of upgrades to the water supply network, a water treatment plant was constructed in 2017, and training activities were conducted to expand the capacity of officials in the sustainable management of the upgraded network.

IV. Management results

A. Delivery and partnerships

54. UNOPS delivery was $1.8 billion in 2017, as compared to $1.4 billion in 2016. It was thus a record year in terms of financial turnover. The growth can be attributed to an increase in government demand for UNOPS services, which almost doubled in 2017.

55. Direct support to governments accounted for the largest increase in delivery value, accounting for $662 million, as compared to $352 million in 2016. The largest partnership with a host government during 2017 was with Argentina, followed by Peru, Ethiopia, Honduras and El Salvador, respectively. Total direct support to governments was 37 per cent of delivery, compared with 25 per cent in 2016. The largest donor government to which UNOPS delivery can be directly attributed was that of the United Kingdom, followed by those of the United States, Canada, Japan and the Republic of Korea, respectively.

56. In 2017, 32 per cent of UNOPS delivery was on behalf of the United Nations system, down from 43 per cent in 2016. In real terms this represented delivery of approximately $579 million, compared to $600 million in 2016. The largest United Nations partner was the Secretariat, most significantly the Department of Political Affairs, the Department of Peacekeeping Operations and the Department of Field Support, which together accounted for approximately $314 million. That delivery comprised providing support to the peace and security work of the United Nations Mine Action Service (UNMAS). Other 2017 trends among United Nations partners included a fifth consecutive year of increasing delivery on behalf of the Office of the United Nations High Commissioner for Refugees, from $70 million to $80 million in 2017. Other strong partnerships included support to UNEP and WHO.

57. UNOPS partnered with international financial institutions, including the African Development Bank and the Inter-American Development Bank, to deliver $50 million in services. Its largest partner was the World Bank, with a total value down slightly, from $44 million to $42 million in 2017.

58. UNOPS work for the European Union decreased slightly, from $56 million to $52 million of delivery in 2017. Projects during 2017 included roads in South Sudan and support to the justice sector in Tunisia.

59. The UNOPS partnership with the Global Fund to Fight AIDS, Tuberculosis and Malaria continued to grow in 2017. UNOPS delivered $128 million in services – compared with $110 million in 2016 – and worked as a local fund agent for the Fund in 13 countries.

60. UNOPS supported the management of a number of programmes financed by multiple donors, the largest of which are in Myanmar – such the Three Millennium Development Goal Fund – or operate globally, such as the Water Supply and Sanitation Collaborative Council Global Sanitation Fund and the Stop TB Partnership. In 2017, UNOPS delivered $174 million in services for those funds and programmes.

61. In 2017, the largest countries of delivery were Myanmar, Argentina, Somalia, South Sudan, and Mali, in that order. In 2016, they were Myanmar, Somalia, Mali, South Sudan, and Afghanistan.

62. New agreements between UNOPS and its partners reached $2.3 billion, slightly lower than the previous year's total of $2.6 billion – with significant new engagements, including regional programmes with the Global Fund in Asia and reconstruction work in Yemen, funded by the World Bank.

63. The 2030 Agenda and the Small Island Developing States Accelerated Modalities of Action (SAMOA) Pathway recognized that the challenges faced by small island developing States call for special attention, as they face unique vulnerabilities in their sustainable development, particularly the effects of climate change. In 2017, UNOPS signed agreements with Antigua and Barbuda, Nauru, Palau, Saint Lucia, and Sao Tome and Principe.

64. During 2017, UNOPS worked with internal and external stakeholders in developing and launching a new website to better communicate the focus and expertise detailed in its strategic plan, 2018-2021.

B. Process excellence

65. Following an organization-wide exercise to gather data on aspects of sustainability relevant to UNOPS, the organization produced its second report aligned to GRI standards. The report refined a series of indicators identified to assess UNOPS sustainable implementation approaches, and provided an overview of UNOPS operations worldwide.

66. In 2017, UNOPS was assessed by the International Organization for Standardization ('ISO') and maintained its 9001 Quality Management certifications. In addition, UNOPS was assessed by the European Foundation for Quality Management, which awarded it a five-star silver rating in its global excellence index of best performing organizations.

67. Following a scope expansion and the issuance of a new institutional policy, UNOPS expanded its ISO 14001 certified environmental management system to cover its activities and facilities. In 2017, operations in Sierra Leone and Tunisia were certified, adding to existing certifications in Afghanistan, Denmark Ghana, Kosovo, Myanmar, Sri Lanka and the State of Palestine.

68. The same expanded institutional policy covers certifications in health and safety management systems – Occupational Health and Safety Assessment Services 18001 – which now applies to all UNOPS activities and facilities. In addition to certifications in Denmark, Kosovo, Myanmar and the State of Palestine, operations in Ghana were certified in 2017. This achievement forms the basis for UNOPS compliance with CEB/2015/HLCM/7/Rev.2 on the adoption of occupational safety and health systems in all United Nations organizations.

69. UNOPS continued to implement refinements and additional features to its new enterprise resource planning system in 2017, including dedicated enterprise risk management functionality.

70. During 2017, the UNOPS e-sourcing system was scaled up to increase efficiency and transparency, generate data for decision-making, and assure consistency and compliance. The system became mandatory for all UNOPS procurement as of 1 January 2018.

71. Several measures were taken to realign headquarters functions in preparation for implementing the strategic plan, 2018-2021, and clearly separating policy and control functions from operations management as part of an improved governance, risk, and compliance framework.

72. UNOPS continued its work with academic institutions and the private sector to help governments improve infrastructure delivery in support of the sustainable development goals, and to adapt to climate change. Support in the adoption of international best practices is offered to through the UNOPS 'Evidence-Based Infrastructure' framework, which evaluates and analyses infrastructure gaps, future infrastructure needs, and the capacities required to deliver sustainable and resilient infrastructure. In 2017, activities under this initiative took place in several small island developing States, as well as in Brazil, Nepal and Serbia.

73. By the end of 2017, the implementation rate of audit recommendations stood at 92 per cent. Twelve of the recommendations had been open for more than 18 months. Details of UNOPS audit and investigations findings in 2017 are available in a dedicated report (DP/OPS/2018/4).

74. In 2017, the Joint Inspection Unit recognized the progress made by UNOPS in managing and implementing its recommendations (JIU/REP/2017/5). Annex 4 contains details.

75. Reflecting its role as a consultative, impartial and service-oriented resource, the UNOPS Ethics Office handled 961 issues from 1 January to 31 December 2017. These are detailed in a dedicated report (DP/OPS/2018/5) presented to the Executive Board at its annual session 2018.

C. People excellence

76. At the end of 2017, the total number of UNOPS personnel stood at 4,179, up from 4,065 in 2016. In addition to UNOPS personnel, contracts were administered on behalf of a range of partners. At the end of 2017, the total number of individuals on UNOPS contracts stood at 11,428, up from 10,978 in 2016. A breakdown of personnel by contract category is shown in table 2, below.

Table 2. Number of personnel, by category, as of 31 December 2017

Contract modality	Staff	Contractors	Total
UNOPS personnel	766*	3,413	4,179
Partner personnel		7,249	7,249
Combined personnel	766	10,662	11, 428

*Includes partner staff, and staff in organizations where UNOPS is providing secretariat services, who are subject to the same policies and procedures as UNOPS staff.

77. The 487 members of UNOPS personnel recruited in 2017 comprised 201 women and 286 men, meaning 41 per cent of all new hires were women. As of 31 December 2017, the primary internal management body of UNOPS consisted of 16 members – four women and 12 men. Eight members were between the ages of 30 and 50, and eight were 50 or older. Women represented 38 per cent of UNOPS personnel, a slight increase over the 37 per cent recorded in 2016. A breakdown of gender representation is shown in table 3, below.

Table 3. Gender balance among UNOPS personnel as of 31 December 2017

Gender	Staff	Local contractors	International contractors	Total
Women	273	1,000	332	1,605
Men	493	1,578	503	2,574
All UNOPS personnel	766	2,578	835	4,179

78. A survey of UNOPS personnel revealed engagement levels exceeding internationally recognized benchmarks for high-performing organizations. Out of more than 3,100 responses – a response rate of 82 per cent – 83 per cent were favourable, indicating high levels of engagement and intent to stay.

79. Over the course of 2017, a new learning management system was developed to enhance the management, coordination, monitoring and evaluation of learning activities across the organization.

80. During 2017, UNOPS established a dedicated panel comprised of senior managers across all regions to advise on gender equality in the workforce, covering areas such as recruitment, professional development, inclusive leadership and accountability. Following a consultative process, recommendations from the panel formed the basis of a gender parity strategy to be implemented from 2018. The three goals of the strategy, reflected in the tables below, will be updated annually in reports to the Executive Board.

Table 4. Gender parity strategy goal 1.

Achieve gender parity targets established by the United Nations system-wide strategy

Obligation by level	% of women (31 Dec2017)	Total women international staff	Total international staff	Target	Target date
P1					
P2	44%	21	48	47% - 53%	End 2021
P3	38%	70	186	47% - 53%	End 2021

P4	31%	41	133	47% - 53%	End 2026
P5	28%	20	71	47% - 53%	End 2026
P6, D1	27%	8	30	47% - 53%	End 2026
D2	25%	4	16	47% - 53%	End 2026

Table 5. Gender parity strategy goal 2.

Equal gender representation targets for UNOPS personnel, irrespective of level

Total % of women	Total number of women	Total UNOPS personnel	Target % of women	Target date
38%	1,605	4,179	47% - 53%	End 2019

Table 6. Gender parity strategy goal 3.

Targets to increase the representation of women at senior levels among international personnel

UNOPS personnel by International Civil Service Commission (ICSC) level and respective grades	% of women by grade, as of Dec 31, 2017	Total number of international women personnel	Total number all international Personnel	Target	Target date
ICSC 8 (P1 + IICA-1)	51%	81	158	47% - 53%	End 2021
ICSC 9 (P2 + IICA-1)	49%	69	140	47% - 53%	End 2021
ICSC 10 (P3 + IICA-2)	39%	216	556	47% - 53%	End 2021
ICSC 11 (P4 + IICA-3)	29%	92	312	47% - 53%	End 2026
ICSC 12 (P5 + IICA-3 / IICA-4)	25%	26	105	47% - 53%	End 2026
ICSC 13 (P6 + D1 + IICA-4)	26%	8	31	47% - 53%	End 2026
ICSC 14 (D2 + IICA-4 / IICA-5)	24%	4	17	47% - 53%	End 2026

81. There was a 24 per cent turnover of UNOPS personnel in 2017, down from the 29 per cent reported in 2016. A breakdown of turnover figures, by age category and gender, is shown in table 7, below:

Table 7: Turnover among UNOPS personnel, by age category and gender, in 2017

Age category	Women	Men	Total
30 and under	21%	22%	22%
30 to 50	20%	25%	23%
50 and above	22%	29%	27%

All UNOPS personnel	21%	26%	24%

82. In 2017, 87 members of UNOPS senior management in countries where the organization maintains physical offices were nationals of the duty station country, representing 17 per cent of the total number of 552. In the previous year, 84 senior managers from a total of 491 were nationals of the duty-station country, representing 18 per cent of the overall total (senior management is defined as ICSC-11 and above). In 2017, 2,676 UNOPS personnel were based in hardship duty stations (locations rated B to E on the International Civil Service Commission hardship scale). Of these, 1,195 members of UNOPS personnel were based in location category 'E'.

83. More than 2,100 colleagues benefited from UNOPS learning opportunities. Eighty-one per cent of participants rated learning opportunities as 'extremely relevant' or 'very relevant' to their work. Forty-six per cent of participants were women, and 85 per cent were based in field locations. To strengthen health and safety capacity, UNOPS provided training in related disciplines for 248 personnel, 64 of whom obtained certifications from the Institution of Occupational Safety and Health. In addition to mandatory courses on gender awareness and the prevention of harassment, sexual harassment, and abuse of authority in the workplace, more than 571 received anti-corruption training.

D. Financial stewardship

84. During 2017, UNOPS delivered $1.8 billion in project services (against $1.4 billion in 2016). Project-related net revenue was $89.4 million, compared to $86.7 million in 2016. Miscellaneous income earned was $2.4 million (against $2.1 million in the previous year). Management expenses were $67.5 million – compared to $62.3 million a year earlier – representing an increase of 8.3 per cent. However, due to the increase in delivery of project services, the ratio of management expenses to delivery in 2016 dipped to 3.7 per cent. This resulted in a net surplus of income over expenditure, after provisions, of $29 million (compared to $31.3 million in 2016). At year-end 2017, UNOPS continued to maintain its operational reserve above the minimum requirement established by the Executive Board.

85. An actuarial revaluation of UNOPS end-of-service employee liabilities indicated that such liabilities, at year-end 2017, were about $7.9 million higher than the related liabilities at the end of 2016. This comprised an actuarial loss of $3.6 million, and further funding allocated by UNOPS during the year.

86. The expenses, revenue and reserve balance for 2017 are early figures calculated by UNOPS, and may be subject to change. They have yet to be verified and audited by the United Nations Board of Auditors.